

Court upholds changes in school retiree system

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Employees of the Sunnyside School District nearing retirement have been in limbo for the past couple of years.

They, and thousands like them around the state, aren't any longer thanks to a State Supreme Court ruling last week. The decision upheld changes in the retirement system for school employees.

In 2007, state lawmakers cut costs in the retirement system by eliminating a policy known as gainsharing and also doing away with cost of living allowances for some school retirees.

Gainsharing occurred whenever the state pension fund had high returns for three years in a row. The additional money was shared with members of plans 1 and 3.

In exchange for cutting cost of living and gainsharing, lawmakers lowered the age at which school employees could retire with full benefits from 65 to 62.

But all of that was thrown into doubt with a series of lawsuits challenging the legislative action.

School workers finally received their answer when the court upheld all three aspects of the legislative changes.

Ivy Weets is the Sunnyside School District's benefits and payroll coordinator, and she says the ruling is a help for employees on the brink of retirement.

"We had a lot of people who started the early retirement process concerned that the ruling could impact them before they got through their retirement paperwork," said Weets.

She says the decision means 779 Sunnyside School District employees can continue on the path to be eligible for full retirement at age 62.

The downside is that current and future school retirees will lose cost of living allowances and gainsharing.

"It's not right for the legislature to unilaterally cut retirement benefits it promised – and to take away what educators already earned," said Kim Mead, president of the Washington Education Association.

She contends teachers and other public workers have modest retirement plans, and the state's cuts will make it more difficult to keep quality teachers in the classroom.

Mead adds that the pension cuts especially hurt some of the lowest-paid school support employees, including bus drivers, cafeteria workers and custodians.

The pension cuts harm the retirement security of more than 100,000 public school employees and retirees, Mead claims.

Still, with the court ruling in hand school workers in Sunnyside and around the state now have certainty on when they can retire with full benefits.

“Everybody was waiting to see what was going to happen,” said Dr. Rick Cole, superintendent of Sunnyside schools.

“We’re glad it’s resolved so now everyone has clarity and can make decisions,” Cole said.